

# **State of Alaska FY2003 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Statewide Administrative Services Component Budget Summary**

## **Component: Statewide Administrative Services**

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### **Component Mission**

To support the department's operations with quality administration and information technology.

### **Component Services Provided**

This component provides centralized services in the areas of personnel and payroll, internal equal employment reporting for federal programs, budget, finance, cost allocation plans, collection of federal and other revenue, and development of policies and procedures. It also provides the oversight of the Information Systems Section, the Headquarters State Equipment Fleet Offices and the Highway Working Capital Fund.

Acts as liaison between DOT&PF and the Department of Administration for financial, personnel, payroll, and information technology directives, and the Office of Management and Budget and the Legislature relating to budget issues.

### **Component Goals and Strategies**

Provide administrative support that results in the most efficient delivery of department services to the public.

Balance changes that reduce cost against the risks of errors and the ultimate impact on the public.

- Have an indirect cost allocation plan that maximizes cost reimbursements from federal programs and allows calculation of total costs of providing various services.
- Collect federal reimbursements as soon as possible.
- Develop policies and procedures that assist in the implementation of state and federal laws and regulations.
- Develop an apprentice program to assure continued delivery of services to the travelling public.
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### **Key Component Issues for FY2002 – 2003**

The Division will continue to analyze services it provides in an effort to find the most efficient and effective methods of service delivery. Areas currently under review, or in initial stages of implementation include: improved financial monitoring of capital projects, electronic timesheets, FHWA's newly revised financial system (FMIS 4.0) and FHWA's new payment system—Rapid Approval and State Payment System (RASPS).

At least 20% of the department's Labor, Trades and Crafts work force is eligible for retirement in the next four years with retirements occurring daily. The department is greatly concerned with its ability to replace these individuals who provide essential services to assure the safety of the travelling public.

### **Major Component Accomplishments in 2001**

- Received no audit findings from the Office of the Inspector General upon completion of their review of department accounting for the AIP funded through FAA.
- Assisted regional project control offices with the closure of 90% of all FAA grants over four years old.
- Established a task force that identified and implemented recommendations to improve the closing Capital Improvement Projects.
- Trained department employees on the new rules governing indirect costs under the fully implemented and approved OMB Circular A-87 compliant plan.
- Successfully defended the department in a high-profile and sensitive arbitration.
- Received FHWA approval of Internal Annual Assurances/Affirmative Action Plan with no findings.
- Secured approval for salary range increases for positions in some engineering job classes that allowed the department to retain current staff and help recruit for vacant positions.

## **Statutory and Regulatory Authority**

AS 44.42.010-900 State Government

AS 02 Aeronautics

AS 19 Highways and Ferries

AS 35 Public Building, Works and Improvements

## Statewide Administrative Services

## Component Financial Summary

All dollars in thousands

|                                           | FY2001 Actuals | FY2002 Authorized | FY2003 Governor |
|-------------------------------------------|----------------|-------------------|-----------------|
| <b>Non-Formula Program:</b>               |                |                   |                 |
| <b>Component Expenditures:</b>            |                |                   |                 |
| 71000 Personal Services                   | 1,492.2        | 1,587.9           | 1,745.0         |
| 72000 Travel                              | 32.3           | 21.0              | 33.9            |
| 73000 Contractual                         | 197.4          | 120.1             | 130.1           |
| 74000 Supplies                            | 41.0           | 19.6              | 26.1            |
| 75000 Equipment                           | 0.0            | 0.0               | 0.0             |
| 76000 Land/Buildings                      | 0.0            | 0.0               | 0.0             |
| 77000 Grants, Claims                      | 0.0            | 0.0               | 0.0             |
| 78000 Miscellaneous                       | 0.0            | 0.0               | 0.0             |
| <b>Expenditure Totals</b>                 | <b>1,762.9</b> | <b>1,748.6</b>    | <b>1,935.1</b>  |
| <b>Funding Sources:</b>                   |                |                   |                 |
| 1004 General Fund Receipts                | 1,133.7        | 1,131.4           | 1,213.6         |
| 1026 Highway Working Capital Fund         | 94.9           | 94.7              | 97.5            |
| 1027 International Airport Revenue Fund   | 87.1           | 87.5              | 91.4            |
| 1061 Capital Improvement Project Receipts | 330.0          | 332.9             | 430.5           |
| 1076 Marine Highway System Fund           | 117.2          | 102.1             | 102.1           |
| <b>Funding Totals</b>                     | <b>1,762.9</b> | <b>1,748.6</b>    | <b>1,935.1</b>  |

## Estimated Revenue Collections

| Description                          | Master Revenue Account | FY2001 Actuals | FY2002 Authorized | FY2002 Cash Estimate | FY2003 Governor | FY2004 Forecast |
|--------------------------------------|------------------------|----------------|-------------------|----------------------|-----------------|-----------------|
| <b>Unrestricted Revenues</b>         |                        |                |                   |                      |                 |                 |
| None.                                |                        | 0.0            | 0.0               | 0.0                  | 0.0             | 0.0             |
| <b>Unrestricted Total</b>            |                        | <b>0.0</b>     | <b>0.0</b>        | <b>0.0</b>           | <b>0.0</b>      | <b>0.0</b>      |
| <b>Restricted Revenues</b>           |                        |                |                   |                      |                 |                 |
| Capital Improvement Project Receipts | 51200                  | 330.0          | 332.9             | 332.9                | 430.5           | 430.5           |
| <b>Restricted Total</b>              |                        | <b>330.0</b>   | <b>332.9</b>      | <b>332.9</b>         | <b>430.5</b>    | <b>430.5</b>    |
| <b>Total Estimated Revenues</b>      |                        | <b>330.0</b>   | <b>332.9</b>      | <b>332.9</b>         | <b>430.5</b>    | <b>430.5</b>    |

**Statewide Administrative Services****Proposed Changes in Levels of Service for FY2003**

Due to the high risk of personal injury in the work being done by department staff, greater emphasis is needed to reduce those risks and associated costs. A Safety Chief will be added to provide guidance and coordinate an appropriate workplace safety program.

**Summary of Component Budget Changes****From FY2002 Authorized to FY2003 Governor***All dollars in thousands*

|                                                                  | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|------------------------------------------------------------------|----------------------|----------------------|--------------------|--------------------|
| <b>FY2002 Authorized</b>                                         | <b>1,131.4</b>       | <b>0.0</b>           | <b>617.2</b>       | <b>1,748.6</b>     |
| <b>Adjustments which will continue current level of service:</b> |                      |                      |                    |                    |
| -Year 3 Labor Costs - Net Change from FY2002                     | 30.1                 | 0.0                  | 17.2               | 47.3               |
| <b>Proposed budget increases:</b>                                |                      |                      |                    |                    |
| -Add ICAP to maintain fiscal services departmentwide             | 0.0                  | 0.0                  | 35.0               | 35.0               |
| -Add PFT to serve as Department Safety Officer and coordinator   | 52.1                 | 0.0                  | 52.1               | 104.2              |
| <b>FY2003 Governor</b>                                           | <b>1,213.6</b>       | <b>0.0</b>           | <b>721.5</b>       | <b>1,935.1</b>     |

## Statewide Administrative Services

## Personal Services Information

| Authorized Positions |                   | Personal Services Costs |                                |                  |
|----------------------|-------------------|-------------------------|--------------------------------|------------------|
|                      | <u>FY2002</u>     | <u>FY2003</u>           |                                |                  |
|                      | <u>Authorized</u> | <u>Governor</u>         |                                |                  |
| Full-time            | 26                | 27                      | Annual Salaries                | 1,293,135        |
| Part-time            | 0                 | 0                       | COLA                           | 36,046           |
| Nonpermanent         | 0                 | 0                       | Premium Pay                    | 0                |
|                      |                   |                         | Annual Benefits                | 482,649          |
|                      |                   |                         | Less 3.69% Vacancy Factor      | (66,830)         |
|                      |                   |                         | Lump Sum Premium Pay           | 0                |
| <b>Totals</b>        | <b>26</b>         | <b>27</b>               | <b>Total Personal Services</b> | <b>1,745,000</b> |

## Position Classification Summary

| Job Class Title           | Anchorage | Fairbanks | Juneau    | Others   | Total     |
|---------------------------|-----------|-----------|-----------|----------|-----------|
| Accountant II             | 0         | 0         | 3         | 0        | 3         |
| Accountant III            | 0         | 0         | 2         | 0        | 2         |
| Accountant IV             | 0         | 0         | 2         | 0        | 2         |
| Accounting Tech I         | 0         | 0         | 2         | 0        | 2         |
| Accounting Tech II        | 0         | 0         | 1         | 0        | 1         |
| Accounting Tech III       | 0         | 0         | 2         | 0        | 2         |
| Administrative Clerk I    | 0         | 0         | 1         | 0        | 1         |
| Administrative Clerk II   | 0         | 0         | 1         | 0        | 1         |
| Administrative Clerk III  | 0         | 0         | 2         | 0        | 2         |
| Department Safety Officer | 0         | 0         | 1         | 0        | 1         |
| Division Director         | 0         | 0         | 1         | 0        | 1         |
| Human Resources Mgr III   | 0         | 0         | 1         | 0        | 1         |
| Labor Rel Specialist II   | 0         | 0         | 1         | 0        | 1         |
| Personnel Asst I          | 0         | 0         | 1         | 0        | 1         |
| Personnel Officer I       | 0         | 0         | 1         | 0        | 1         |
| Personnel Officer II      | 0         | 0         | 1         | 0        | 1         |
| Personnel Specialist I    | 0         | 0         | 2         | 0        | 2         |
| Program Budget AnalystIV  | 0         | 0         | 2         | 0        | 2         |
| <b>Totals</b>             | <b>0</b>  | <b>0</b>  | <b>27</b> | <b>0</b> | <b>27</b> |